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October 12, 2012

VIA HAND DELIVERY

The Honorable Alvin W. Thompson
Chief United States District Judge
United States District Court
District of Connecticut
450 Main Street, Suite 240
Hartford, Connecticut 06103

VIA ELECTRONIC MAIL

The Honorable Denise L. Cote
United States District Judge
United States District Court
Southern District of New York
500 Pearl Street, Room 1610
New York, New York 10007-1312

Re: FHFA v. Royal Bank of Scotland PLC, et al., No. 3:11-cv-01383 (AWT) (D. Conn.)
FHFA v. UBS Americas, Inc., et al., No. 1:11-cv-5201 (DLC) (S.D.N.Y.)

Dear Chief Judge Thompson and Judge Cote:

We write on behalf of Plaintiff Federal Housing Finance Agency ("FHFA"), as Conservator for the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, regarding coordination of discovery in *FHFA v. Royal Bank of Scotland PLC, et al.*, No. 3:11-cv-01383 (AWT), pending before Chief Judge Thompson in the District of Connecticut (the "RBS Action"), and the 16 FHFA actions pending before Judge Cote in the Southern District of New York (the "S.D.N.Y. Actions").

Pursuant to Judge Cote's Order of October 9, 2012, counsel for FHFA met and conferred with counsel for defendants ("RBS") in the RBS Action in an attempt to reach agreement on a proposed Order coordinating discovery in the two venues—the parties did not reach agreement. As reflected in the attached Proposed Scheduling Order, FHFA has proposed deadlines that would permit the RBS Action to be tried on the same timetable as the second tranche of S.D.N.Y. Actions. Under the Proposed Scheduling Order, document production in the RBS

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Action would be substantially complete by November 30, 2012, depositions applicable to both venues would begin on January 22, 2013, and trial would commence in the District of Connecticut on June 2, 2014.

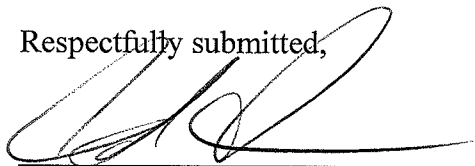
During the parties' meet and confer, RBS proposed an approach that would not involve coordination at all. Rather, they proposed that the parties have unlimited access and use of the document and deposition discovery in the S.D.N.Y. Actions, with additional depositions and discovery proceeding on a separate track in the RBS Action. RBS even suggested that it alone among the defendants in the S.D.N.Y. Actions might thereby take more than 20 depositions of Plaintiff, including possibly re-deposing witnesses in the S.D.N.Y. Actions. In FHFA's view, this would not create efficiencies through coordination, but would merely permit RBS greater discovery than any other party, while imposing unnecessary burdens on witnesses and creating the risk of inconsistent discovery obligations across cases.

During our discussions, RBS resisted true coordination with discovery in the S.D.N.Y. Actions, on the basis that it would be "unrealistic" for the RBS Action to proceed on the current schedule in the S.D.N.Y. Actions. But RBS was directed two months ago—on August 17, 2012, when Chief Judge Thompson granted FHFA's motion to commence discovery in the RBS Action—that discovery would begin in the RBS Action promptly. The parties to the RBS Action exchanged initial disclosures, on October 2, 2012, and FHFA has served document requests as well. RBS is also well versed in the subject matter of these litigations, as it is a defendant in *four* of the S.D.N.Y. Actions (and is represented by the same attorneys in both venues), has served and responded to hundreds of document requests, has already produced approximately 20,000 pages of documents to FHFA, and has a full document review underway. Given the parties' and their counsels' involvement in discovery in the S.D.N.Y. Actions, substantial completion of document production by November 30, 2012, is feasible, and an appropriate means of ensuring that RBS can proceed, as the Court indicated, on a coordinated basis with the S.D.N.Y. Actions.¹

FHFA respectfully requests that the attached Proposed Scheduling Order be adopted, and that discovery in the RBS Action proceed in line with the other actions in Tranche Two, thus affording the Courts as well as the parties the benefits of coordination and consistent rulings on key evidentiary issues between now and trial, while reducing the burden of repetitive and unnecessary depositions, interrogatories and requests for admission.

¹ To the extent RBS complains of any hardship from this proposed schedule, it is of its own making, as it has apparently taken *no steps* to look for responsive documents in the nearly two months since Chief Judge Thompson ordered the commencement of discovery. FHFA, for its part, has begun identifying documents likely to be responsive to document requests in line with those served in the S.D.N.Y. Actions, and has sent RBS a copy of search terms FHFA has generated for use in the RBS Action.

Respectfully submitted,



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Enclosure

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Jay B. Kasner, Esq. (liaison counsel for defendants in the S.D.N.Y. Actions)

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

----- X
FEDERAL HOUSING FINANCE AGENCY, etc.,

Plaintiff,

v.

UBS AMERICAS, INC., et al.,

Defendants.
----- X

:
: **[PROPOSED] SCHEDULING**
: **ORDER**
:

: 11 Civ. 5201 (DLC)
:

FEDERAL HOUSING FINANCE AGENCY, etc.,

Plaintiff,

v.

JPMORGAN CHASE & CO., et al.,

Defendants.
----- X

: 11 Civ. 6188 (DLC)
:

FEDERAL HOUSING FINANCE AGENCY, etc.,

Plaintiff,

v.

HSBC NORTH AMERICA HOLDINGS, INC., et
al.,

Defendants.
----- X

: 11 Civ. 6189 (DLC)
:

FEDERAL HOUSING FINANCE AGENCY, etc.,

Plaintiff,

v.

BARCLAYS BANK PLC, et al.,

Defendants.
----- X

: 11 Civ. 6190 (DLC)
:

----- X
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FEDERAL HOUSING FINANCE AGENCY, etc.,
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Plaintiff,
:
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v.
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DEUTSCHE BANK AG, et al.,
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:

Defendants.
:
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----- X

FEDERAL HOUSING FINANCE AGENCY, etc.,
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Plaintiff,
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v.
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:

FIRST HORIZON NATIONAL CORP., et al.,
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Defendants.
:
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----- X

FEDERAL HOUSING FINANCE AGENCY, etc.,
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Plaintiff,
:
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v.
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BANK OF AMERICA CORP., et al.,
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Defendants.
:
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----- X

FEDERAL HOUSING FINANCE AGENCY, etc.,
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Plaintiff,
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v.
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CITIGROUP INC., et al.,
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Defendants.
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----- X

11 Civ. 6192 (DLC)

11 Civ. 6193 (DLC)

11 Civ. 6195 (DLC)

11 Civ. 6196 (DLC)

----- X
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FEDERAL HOUSING FINANCE AGENCY, etc.,
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Plaintiff,
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v.
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GOLDMAN, SACHS & CO., et al.,
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Defendants.
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----- X

11 Civ. 6198 (DLC)

FEDERAL HOUSING FINANCE AGENCY, etc.,
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Plaintiff,
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v.
:

CREDIT SUISSE HOLDINGS (USA), INC., et al.,
:

Defendants.
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:
----- X

11 Civ. 6200 (DLC)

FEDERAL HOUSING FINANCE AGENCY, etc.,
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Plaintiff,
:

v.
:

NOMURA HOLDING AMERICA, INC., et al.,
:

Defendants.
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:
----- X

11 Civ. 6201 (DLC)

UNITED STATES DISTRICT COURT
DISTRICT OF CONNECTICUT
----- X

FEDERAL HOUSING FINANCE AGENCY, AS
CONSERVATOR FOR THE FEDERAL
NATIONAL MORTGAGE ASSOCIATION AND
THE FEDERAL HOME LOAN MORTGAGE
CORPORATION,
:

Case No. 3:11 CV-01383 (AWT)

Plaintiff,	:
v.	:
THE ROYAL BANK OF SCOTLAND GROUP,	:
PLC, <i>et al.</i> ,	:
Defendants.	:
-----	x

WHEREAS, the Courts in the above-captioned actions pending respectively in the U.S. District Court for the Southern District of New York (the “S.D.N.Y. Actions”) and the U.S. District Court for the District of Connecticut (the “RBS Action”) have requested that the parties thereto submit proposed orders coordinating discovery, motion practice and trial by October 12, 2012; and

WHEREAS, the parties have, through their counsel, met and conferred regarding the below proposed scheduling order and have agreed to the below proposed schedule;

NOW, THEREFORE, IT IS HEREBY ORDERED as follows:

1.

<u>Event</u>	<u>S.D.N.Y. Actions Deadline</u>	<u>RBS Action Deadline</u>
Last day to serve initial document requests	Deadline has passed	October 22, 2012
Last day to serve objections and responses to initial document requests	Deadline has passed	November 21, 2012
Document production in all cases must be substantially complete	October 22, 2012	November 30, 2012
Parties shall file submissions addressed to (1) the schedule for expert discovery in each case, (2) limitations on depositions of third parties in each case, and (3) protocols for noticing and	November 8, 2012	November 8, 2012

<u>Event</u>	<u>S.D.N.Y. Actions Deadline</u>	<u>RBS Action Deadline</u>
scheduling depositions		
Status conference for all parties in all cases	November 15, 2012, at 2:00 p.m.	November 15, 2012, at 2:00 p.m.
Depositions begin in all cases	January 22, 2013	January 22, 2013
All fact and expert discovery in the RBS Action and all S.D.N.Y. Actions other than 11 Civ. 5201 must be completed	December 6, 2013	December 6, 2013
Joint pretrial orders must be filed in Tranche 2 cases: 11 Civ. 6188, 11 Civ. 6202, and the RBS Action	May 2, 2014	May 2, 2014
Opposition to any motion in limine in 11 Civ. 6188, 11 Civ. 6202, and the RBS Action	May 9, 2014	May 9, 2014
Any reply in further support of any motion in limine in 11 Civ. 6188, 11 Civ. 6202, and the RBS Action due	May 16, 2014	May 16, 2014
Trials begin in 11 Civ. 6188, 11 Civ. 6202, and the RBS Action	June 2, 2014	June 2, 2014

2. The parties to the RBS Action will be subject to an order regarding electronic discovery materially identical to the one entered on February 6, 2012 in 11 Civ. 5201.

3. The parties to the RBS Action will be subject to a protective order materially identical to the one entered on May 30, 2012 in 11 Civ. 5201. All discovery produced in the S.D.N.Y. Actions will be treated as if it were produced in the RBS Action and may be used in the prosecution or defense of the RBS Action.

4. The discovery parameters and limitations applicable to the S.D.N.Y. Actions shall be applicable to the RBS Action, including but not limited to:

a. Defendants in the RBS Action are permitted to take no more than 20 depositions of former and current employees of Plaintiff (including any predecessor entity and its conservatees), which number is inclusive of any depositions taken in the S.D.N.Y. Actions.

Similarly, Plaintiff is permitted to take no more than 20 depositions of former and current employees of corporate defendants in the RBS Action, which number is inclusive of any depositions taken in the S.D.N.Y. Actions.

b. No more than 50 interrogatories and no more than 50 requests for admission may be served on either of Plaintiff or the corporate defendants in the RBS Action, which number is inclusive of any interrogatories or requests for admission served in the S.D.N.Y. Actions.

5. The parties to the RBS Action will meet and confer promptly, and no later than by October 17, 2012, to propose search terms for the collection and review of electronic documents.

IT IS SO ORDERED.

Dated: New York, New York
October __, 2012

Dated: Hartford, Connecticut
October __, 2012

UNITED STATES DISTRICT JUDGE
HON. DENISE L. COTE

UNITED STATES DISTRICT JUDGE
HON. ALVIN W. THOMPSON